



**Condensed Consolidated Income Statement**  
**For the Second Quarter ended 30 June 2009 (Unaudited)**

	***	***		***
	Current Quarter Ended 30-Jun-09 RM'000	Corresponding Quarter Ended 30-Jun-08 (Restated) RM'000	Cummulative Year To Date 30-Jun-09 RM'000	Corresponding Period To Date 30-Jun-08 (Restated) RM'000
Revenue	63,169	38,704	108,336	60,370
Operating expenses	(34,691)	(12,053)	(60,405)	(22,878)
<b>Gross profit</b>	<b>28,478</b>	<b>26,651</b>	<b>47,931</b>	<b>37,492</b>
Other operating Income	372	1,328	1,039	24,066
Administration expenses	(7,596)	(6,977)	(14,103)	(9,026)
Finance costs	(3)	(1,199)	(7)	(1,598)
<b>Profit before tax</b>	<b>21,251</b>	<b>19,803</b>	<b>34,860</b>	<b>50,934</b>
Taxation	(5,076)	(4,562)	(7,540)	(6,654)
<b>Profit after tax</b>	<b>16,175</b>	<b>15,241</b>	<b>27,320</b>	<b>44,280</b>
Minority interest	-	-	-	-
<b>Profit for the period</b>	<b>16,175</b>	<b>15,241</b>	<b>27,320</b>	<b>44,280</b>
<b>Profit for the period attributable to Equity holders of the parent</b>	<b>16,175</b>	<b>15,241</b>	<b>27,320</b>	<b>44,280</b>
Weighted average number of shares in issue ('000)	352,000	330,296	352,000	140,777
EPS-Basic/Diluted (sen)	4.60	4.61	7.76	31.45

\*\*\* The results for the quarter and period ended 30 June 2008 reflected the post-acquisition performances of subsidiaries acquired on 29 February 2008. Included therein was negative goodwill of RM22.536 million recognized following the acquisition of the subsidiaries. The negative goodwill has been restated from RM21.527 million to RM22.536 million based on the audited financial statements for the period ended 31 December 2008.

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements of the Company for the financial period ended 31 December 2008 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Balance Sheet as at 30 June 2009 (Unaudited)**

	<b>UNAUDITED AS AT</b> <b>30-Jun-09</b> <b>RM'000</b>	<b>AUDITED AS AT</b> <b>31-Dec-08</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	183,620	161,983
Other investments	10,283	10,177
Deferred tax assets	34	34
	<hr/> 193,937	<hr/> 172,194
<b>CURRENT ASSETS</b>		
Inventories	2,346	1,818
Trade receivables	83,964	104,524
Other receivables	1,829	1,893
Cash and bank balances	86,272	97,158
	<hr/> 174,411	<hr/> 205,393
<b>TOTAL ASSETS</b>	<hr/> <b>368,348</b>	<hr/> <b>377,587</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	176,000	176,000
Share premium	87,071	87,071
Retained profits	62,045	53,205
<b>TOTAL EQUITY</b>	<hr/> <b>325,116</b>	<hr/> <b>316,276</b>
<b>NON CURRENT LIABILITIES</b>		
Finance lease liabilities	63	63
Deferred tax liabilities	3,717	3,717
<b>TOTAL NON CURRENT LIABILITIES</b>	<hr/> <b>3,780</b>	<hr/> <b>3,780</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	23,395	44,733
Other payables	8,314	6,013
Bank overdraft	-	2
Finance lease liabilities	42	85
Current tax payables	7,701	6,698
<b>TOTAL CURRENT LIABILITIES</b>	<hr/> <b>39,452</b>	<hr/> <b>57,531</b>
<b>TOTAL LIABILITIES</b>	<hr/> <b>43,232</b>	<hr/> <b>61,311</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<hr/> <b>368,348</b>	<hr/> <b>377,587</b>
Net Assets per share (sen)	92	90

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements of the Company for the financial period ended 31 December 2008 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Statement of Changes in Equity  
For the Second Quarter ended 30 June 2009 (Unaudited)**

	Attributable to the equity holders of the parent			
	Share Capital RM'000	Share Premium RM'000	Retained Profits RM'000	Total Equity RM'000
Balance as at 01 January 2008	-	-	(6)	(6)
Acquisition of subsidiaries	122,913	-	-	122,913
Rights Issue	10,150	10,150	-	20,300
Public Issue	42,937	81,580	-	124,517
Less: Expenses relating to flotation exercise	-	(4,601)	-	(4,601)
Profit for the period (Restated)	-	-	44,280	44,280
Balance as at 30 June 2008 (Restated)	176,000	87,129	44,274	307,403
Balance as at 01 January 2009	176,000	87,071	53,205	316,276
Profit for the period	-	-	27,320	27,320
Dividend paid	-	-	(18,480)	(18,480)
Balance as at 30 June 2009	176,000	87,071	62,045	325,116

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial period ended 31 December 2008 and the accompanying notes attached to this interim financial report).

**Condensed Consolidated Cash Flow Statements  
For the Second Quarter ended 30 June 2009 (Unaudited)**

	Current Year-to-date 30-Jun-09 RM'000	Corresponding Period-to-date 30-Jun-08 (Restated) RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	34,860	50,934
Adjustments for:-		
- Non-cash items	4,612	(20,584)
- Non-operating items	(1,032)	58
Operating profit before changes in working capital	38,440	30,408
<u>Working Capital Changes</u>		
(Increase)/decrease in inventories	(528)	1,659
(Increase)/decrease in receivables	20,621	(15,588)
Increase/(decrease) in payables	(19,038)	4,015
Total working capital changes	1,055	(9,914)
<b>Cash generated from operations</b>	<b>39,495</b>	<b>20,494</b>
Interest received	1,018	1,540
Interest paid	(7)	(2,395)
Tax paid	(6,537)	(3,208)
Total Interest and tax paid	(5,526)	(4,063)
<b>Net cash generated from operating activities</b>	<b>33,969</b>	<b>16,431</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of other investment	(106)	(10,000)
Effect of acquisition of subsidiary companies, net of cash acquired	-	42,080
Sale of other investment	-	25,000
Purchase of property, plant and equipment	(26,266)	(17,323)
Proceeds from disposal of property, plant and equipment	42	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(26,330)</b>	<b>39,757</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	-	144,817
Listing expenses	-	(4,601)
Payments of finance lease liabilities	(43)	(26)
Dividend paid	(18,480)	-
<b>Net cash (used in)/generated from financing activities</b>	<b>(18,523)</b>	<b>140,190</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(10,884)</b>	<b>196,378</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>97,156</b>	
<b>Cash and cash equivalents at the end of the period</b>	<b>86,272</b>	<b>196,378</b>
<b>Breakdown of cash and cash equivalents at the end of the period:-</b>		
Short term deposits	65,974	157,081
Cash and bank balances	20,298	39,297
	<b>86,272</b>	<b>196,378</b>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements of the Company for the financial period ended 31 December 2008 and the accompanying notes attached to this interim financial report).



**A. NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING**

**A1. Basis of reporting preparation**

The interim financial statements are unaudited and has been prepared in accordance with Financial Reporting Standards 134 (FRS134): *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B part A of the Listing Requirements of Bursa Malaysia Securities Berhad.

The same accounting policies and methods of computation are followed in the preparation of the interim financial statements and the most recent annual financial statements of the Group save for the adoption of the new and revised Financial Reporting Standards (“FRSs”) and Issues Committee (“IC”) Interpretations issued by the MASB effective for the period under review. The adoption of the new and revised FRSs and IC Interpretations does not have any significant impact on the results of the Group.

The interim financial report should be read in conjunction with the audited financial statements of the Company for the financial period ended 31 December 2008 and the accompanying explanatory notes attached to this interim financial report.

**A2. Impending Change of Accounting Policies**

The Group and the Company have not applied the following accounting standards (including their consequential amendments) and interpretations that have been issued by the Malaysian Accounting Standards Board but are not yet effective:

<b>FRS/Interpretation</b>	<b>Effective date</b>
FRS 4, <i>Insurance Contracts</i>	1 January 2010
FRS 7, <i>Financial Instruments: Disclosures</i>	1 January 2010
FRS 8, <i>Operating Segments</i>	1 July 2009
FRS 123, <i>Borrowing Costs</i>	1 January 2010
FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
Amendments to FRS 1, <i>First-time Adoption of Financial Reporting Standards</i> and FRS 127, <i>Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>	1 January 2010
Amendments to FRS 2, <i>Share-based Payment: Vesting Conditions and Cancellations</i>	1 January 2010
IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 January 2010
IC Interpretation 10, <i>Interim Financial Reporting and Impairment</i>	1 January 2010
IC Interpretation 11, <i>FRS 2-Group and Treasury Share Transactions</i>	1 January 2010
IC Interpretation 13, <i>Customer Loyalty Programmes</i>	1 January 2010
IC Interpretation 14, <i>FRS 119-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>	1 January 2010



The Group and the Company plan to apply the abovementioned FRSs/Interpretations, other than FRS 4, Amendments to FRS 1 and FRS 127, Amendments to FRS 2 and IC Interpretations 9, 11, 13 and 14 which are not applicable to the Group and the Company, from the annual period beginning 1 January 2010.

FRS 7 and FRS 139

The impact of applying FRS 7 and FRS 139 on the financial statements upon first adoption as required by paragraph 30 (b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* is not disclosed by virtue of the exemptions given in the respective FRSs.

FRS 8

FRS 8, which replaces FRS 114, *Segment Reporting*, requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance. Currently, the Group presents segment information in respect of its business segments. The segmental information for the current quarter (see note A9) is presented based on internal reports that are regularly reviewed by our Managing Director.

FRS 123

FRS 123 which replaces FRS 123<sub>2004</sub>, requires an entity to capitalize borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset and removes the option of immediately recognizing the borrowing cost as an expense.

IC Interpretation 10

IC Interpretation 10 prohibits the reversal of an impairment loss recognized in an interim period during the financial year in respect of goodwill, an investment in an equity instrument or a financial asset carried at cost. IC Interpretation 10 will apply prospectively from the date the Group first applied the measurement criteria of FRS 136, *Impairment of Assets* and FRS 139 respectively.

**A3. Auditors' report**

There was no qualification on the audited financial statements of the Company for the financial period ended 31 December 2008.

**A4. Seasonal or cyclical factors**

Seasonality due to weather is not foreseen to affect the Group's vessel chartering operations. However, the offshore topside maintenance operations will be affected by bad weather at end of the year and this factor has been taken into consideration in the Group's annual business plan.

**A5. Items of unusual nature and amount**

There were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence for the current quarter and financial year-to-date.

**A6. Material changes in estimates**

There were no changes in the estimates of amounts reported in the prior interim periods of the current financial year or changes in the estimates of amounts relating to the prior financial years that have a material effect in the current quarter and financial year-to-date.

**A7. Issuances, cancellations, repurchase, resale and repayments of debt and equity securities**

There were no issuance and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial year-to-date.

**A8. Dividends paid**

A second interim dividend, in respect of the financial period ended 31 December 2008, of 7 sen per share less tax of 25% amounting to RM18,480,000 was paid to shareholders on 27 March 2009.

**A9. Segmental information**

The Group is organized into the following operating segments:-

1. Investment holding
2. Offshore Topside Maintenance Services (“Offshore TMS”)
3. Charter of Marine Vessels (“Marine Charter”)
4. Rental of offshore equipment (“Equipment Rental”)

**Segmental Reporting**

<b>Current quarter ended 30 June 2009</b>	<b>Investment Holding RM'000</b>	<b>Offshore TMS RM'000</b>	<b>Marine Charter RM'000</b>	<b>Equipment Rental RM'000</b>	<b>Total RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>							
External revenue	-	107,720	-	616	108,336	-	108,336
Inter-segment revenue	25,780	-	38,175	1,947	65,902	(65,902)	-
	25,780	107,720	38,175	2,563	174,238	(65,902)	108,336
<b>Results</b>							
Segment results	24,587	19,598	12,346	2,071	58,602	(24,753)	33,849
Interest expense	-	(7)	-	-	(7)	-	(7)
Interest income	378	560	28	52	1,018	-	1,018
<b>Profit before tax</b>							34,860
<b>Taxation</b>							(7,540)
<b>Profit after tax</b>							27,320

**A10. Valuation of property, plant and equipment**

The property, plant and equipment of the Group have been brought forward without amendment from their previous annual financial statements.

**A11. Capital commitments**

Capital commitments as at end of the current quarter and financial year-to-date are as follows:-

	<b>30-Jun-09</b>
	RM'000
Approved and contracted for	<u>10,290</u>



**A12. Material events subsequent to the end of period reported**

There are no material events subsequent to the end of the current quarter and financial period to date up to 20 August 2009 (not earlier than 7 days from the date of announcement of this interim financial report) that have not been reflected in the financial statements for the current quarter and financial year-to-date.

**A13. Changes in composition of the group**

There were no changes in the composition of the Group during the current quarter and financial year-to-date.

**A14. Contingent Liabilities and Contingent Assets**

Save as disclosed below, there were no contingent liabilities or contingent assets that had arisen since the last annual balance sheet date.

Our subsidiary, Dayang Enterprise Sdn Bhd ('DESB'), has made a claim against Sarawak Shell Berhad and Sabah Shell Petroleum Co. Ltd for wrongful premature termination of an offshore maintenance contract in the year 2002. The amount claimed by DESB was RM10,160,445 together with general damages, interests and costs thereon. The matter is being arbitrated and the date of the forthcoming arbitration proceedings has not been fixed. In view of the uncertainty of the timing and actual outcome of the claim, no amount arising from this arbitration has been taken up in the financial statements.

**A15. Significant related party transactions**

The Group entered into the following transactions with related parties during the current financial quarter:-

Transactions with Directors and company in which the Directors have substantial financial interest:-	Nature	Amount for 6 months ended 30 June 2009	Unsettled balance as at 30 June 2009
		RM'000	RM'000
Ling Suk Kiong and Joe Ling Siew Loung @ Lin Shou Long	Rental of open yard fabrication facilities with workshop, warehouse and office	330	-
Ling Suk Kiong and his spouse Wong Siew Hong	Rental of office	15	-
Joe Ling Siew Loung @ Lin Shou Long and his spouse Chong Siaw Choon	Rental of office	18	-
Kunci Prima Sdn Bhd (Directors and shareholders are Tengku Yusof Bin Tengku Ahmad Shahrudin, Joe Ling Siew Loung @ Lin Shou Long, Ling Suk Kiong and his spouse Wong Siew Hong)	Rental of office	113	-
		476	-

In the opinion of the directors, the above transactions have been entered into in the ordinary course of business and have been established under terms no less favourable than those transacted with unrelated parties.



**B ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' LISTING REQUIREMENTS****B1. Review of performance of the Company and its principal subsidiaries**

The Group's performance for the quarter under review versus the corresponding quarter of the previous financial period is tabled below:

	Quarter ended 30-Jun-09 RM'000	Quarter ended 30-Jun-08 (Restated) RM'000	Variance	
			RM'000	%
Revenue	63,169	38,704	24,465	63
Profit before tax	21,251	19,803	1,448	7

Comparatively, the Group's revenue for the current quarter ended 30 June 2009 increased by 63% while profit before tax for the current quarter increased by 7%. The higher revenue in the current quarter as compared to the corresponding quarter is mainly due to additional revenue from work orders received and performed in the current quarter.

Whilst revenue increased by RM24.5 million ie 63%, gross profit for the current quarter increased by only RM1.8 million ie. 6.8% in view of the fact that the work orders in the current quarter have a much lower profit margin contribution.

In the opinion of the Directors, the results for the current quarter and financial year-to-date have not been affected by any transactions or events of a material nature which have arisen between 30 June 2009 and the date of this report.

**B2. Material changes in the quarterly results compared to the results of the preceding quarter**

	Current Quarter ended 30-Jun-09 RM'000	Preceding Quarter ended 31-Mar-09 RM'000	Variance	
			RM'000	%
Revenue	63,169	45,167	18,002	40
Profit before tax	21,251	13,609	7,642	56

In the current quarter, the Group's revenue was 40% higher and the profit before tax was 56% higher compared to the preceding quarter.

The higher revenue of RM63.2 million for the current quarter as compared to RM45.2 million for the preceding quarter is mainly due to more work orders received and performed in the current quarter.

Whilst revenue increased by RM18.0 million ie. 40%, gross profit increased by RM7.6 million ie. 56% in view of the fact that the work orders in the current quarter have a higher profit margin contribution compared to the previous quarter.

Overall, the profit before tax margin has improved due to better cost efficiencies.



**B3. Prospects for the current financial year**

The award of 2 additional contracts in the previous financial period with an estimated worth of RM200 million is expected to contribute positively to the earnings of the Group for the financial year ending 31 December 2009 and beyond. The Directors remain positive of the Group's prospects for the remaining quarters of the current financial year as the Group has on going contracts exceeding RM500 million to last at least until year 2010. The Group currently has tendered for RM350 million worth of contracts and is still awaiting the outcome of these tenders. The contracts if and when secured would contribute positively to the future earnings of the Group.

While the Directors are optimistic of the Group's future prospects, the current global economic crisis has added uncertainties to many businesses. It is imperative therefore that the Directors and Management should exercise prudence and care in the preservation of shareholders' value.

**B4. Profit forecast and profit guarantee**

There was no profit guarantee issued by the Group.

**B5. Taxation**

	Current quarter ended 30 June 2009 RM'000	Current year-to-date ended 30 June 2009 RM'000
Malaysian income tax	5,076	7,540
Deferred income tax	-	-
Tax expense	<u>5,076</u>	<u>7,540</u>

The lower effective tax rate applicable to the Group for the current quarter and financial year-to-date was mainly due to exemption from income tax under Section 54A of the Income Tax Act, 1967, in respect of revenue derived from the charter of some of DMSSB's marine vessels.

**B6. Profit from sale of unquoted investments and/or properties**

There were no disposals of unquoted investments and properties for the current quarter and financial year-to-date.

**B7. Quoted securities****(A) Movement in unit trusts:**

	Current quarter ended 30-Jun-09 RM'000	Cumulative Year-to-date 30-Jun-09 RM'000
At beginning of the period	10,243	10,177
Addition	40	106
At end of the period	10,283	10,283
Market value	10,283	10,283

**B8. Status of corporate proposal**

There was no corporate proposal announced or not completed by the Group as at the latest practicable date of 20 August 2009.

**(A) Status of utilization of proceeds of public issue**

As at the end of the current quarter and financial year-to-date, the status of utilisation of the proceeds as compared to the actual utilisation is as follows:-

	<b>Proposed utilisation</b> RM'000	<b>Actual utilisation</b> RM'000	<b>Intended time frame for utilisation</b> RM'000	<b>Remark</b> RM'000	
Full redemption of Islamic medium term notes	60,000	60,000	Within 6 months after listing	-	Fully utilized
Part finance the construction of marine vessels and/or acquisition of equipment and machinery	51,450	41,870	Within 24 months after listing	9,580	Available for use
Payment of estimated expenses relating to the flotation exercise	4,600	4,659	Within 3 months after listing	(59)	See *** below
Working capital of the Group	28,767	22,420	Within 24 months after listing	6,347	Available for use
	144,817	128,949		15,868	

\*\*\* The excess of actual utilisation of share issue expenses over the proposed utilisation will be deducted from the actual utilisation for working capital of the Group.



**B9. Group borrowings and debt securities**

Total Group's borrowings as at 30 June 2009 were as follows:

	Secured RM'000
<b>Short term borrowings</b>	
Finance lease liabilities	42
	<u>42</u>
<b>Long term borrowings</b>	
Finance lease liabilities	63
	<u>63</u>
<b>Total</b>	<u>105</u>

There are no foreign currency borrowings.

**B10. Off balance sheet financial instruments**

The Group has entered into non-cancellable operating lease agreements for offshore equipment. These leases have a tenor of 3 years with the renewal option except option to purchase which has been included in the contracts.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for as at the balance sheet date but not recognised as liabilities are as follows:-

Future minimum rental payments:	As at 30-Jun-09 RM'000
Not later than 1 year	288
Later than 1 year and not later than 5 years	517
	<u>805</u>

**B11. Material litigation**

Save as disclosed below, as at 20 August 2009, (not earlier than 7 days from the date of announcement issue of this interim financial report), our Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, which will have a material effect on our financial position.

DESB has made a claim against Sarawak Shell Berhad and Sabah Shell Petroleum Co. Ltd for wrongful premature termination of an offshore maintenance contract in the year 2002. The amount claimed by DESB was RM10,160,445 together with general damages, interests and costs thereon. The matter is being arbitrated and the date of the forthcoming arbitration proceedings has not been fixed.

**B12. Dividends**

No dividend was proposed or declared for the current quarter under review.

Total dividends paid in respect of the financial period ended 31 December 2008 comprised of the following:

	RM'000
7 sen per share less 25% income tax paid on 27 March 2009	18,480
7 sen per share less 26% income tax paid on 1 September 2008	<u>18,234</u>
	<u>36,714</u>

**B13. Earnings per share**

	Current Quarter Ended 30-Jun-09	Corresponding Quarter Ended 30-Jun-08 (Restated)	Cumulative Period Ended 30-Jun-09	Corresponding Period Ended 30-Jun-08 (Restated)
Profit attributable to equity holders of the parent (RM'000)	16,175	15,241	27,320	44,280
Weighted average number of ordinary shares in issue ('000)	352,000	330,296	352,000	140,777
Basic/Diluted earnings per share (sen)	4.60	4.61	7.76	31.45